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Fees....	52 00
Taxes ..	
Copies .	2 00
AMT PAID	54 00

Recording Requested By:

The Board of Trustees of the
Leland Stanford Junior University

When Recorded, Mail To:

Department of Toxic Substances Control
Region 2
700 Heinz Avenue, Suite 200
Berkeley, CA 94710
Attention: Barbara J. Cook, P.E., Chief
Site Mitigation Branch

BRENDA DAVIS
SANTA CLARA COUNTY RECORDER
Recorded at the request of
Grantor

RDE # 006
6/27/1997
12:49 PM

COVENANT TO RESTRICT USE OF PROPERTY

[ENVIRONMENTAL RESTRICTION]

The "Aydin Energy " Site
3180 Hanover Street
Palo Alto, California
[APN 142-18-48]

This Covenant and Agreement ("Covenant") is made on the 24 day of June 1997 by The Board of Trustees of Leland Stanford Junior University ("Covenantor"), which is the owner of record of that certain property situated in Palo Alto, County of Santa Clara, State of California, described in Exhibit "A" attached hereto and incorporated herein by this reference (the "Property"), and by the Department of Toxic Substances Control (the "Department"). Covenantor and the Department (collectively referred to as the "Parties") desire and intend that in order to protect the present and future public health and safety, the Property shall be used in such a manner as to avoid potential harm to persons or property which may result from hazardous substances which have been deposited on the Property.

ARTICLE I

STATEMENT OF FACTS

1.01 Description of contamination. The Property is approximately 4 acres and is located on Hanover Street in the City of Palo Alto. It was occupied by electrical manufacturing facilities from 1956 until 1984. Chemicals, including volatile organic compounds, total petroleum hydrocarbons, chlorinated benzenes and polychlorinated biphenyls have been detected in the soil and groundwater in and under portions of the site. The site is being remediated pursuant to a Remedial Action Plan (RAP) dated April 1995, pursuant to which a portion of the Property was excavated to a depth of 10 feet, graded and covered with a cap, then backfilled with clean soil ("the Capped Area"), which is particularly described in Exhibit B attached hereto. Operation and maintenance activities, including operation and maintenance of the groundwater monitoring and extraction treatment system, are to be carried out pursuant to an Operation and Maintenance Plan approved by the Department. The soil remediation consists of excavation and sub-surface capping. After excavating soils within ten feet, a cap was installed in a portion of the Property where chemicals were found to be above the cleanup levels.

1.02 Health Effects. The risk of public exposure to the contaminants has been minimized by placing the contaminated soils under a cap. If the contaminated soils should become uncovered, exposure could take place through dermal contact, ingestion or inhalation of dusts and particulates from on-site soil. The potential human health effects could then include cancer, reproductive effects and other short term and long term health effects, ranging from headaches and nausea to damage to internal organs.

1.03 Surrounding Land Use. The Property is located in the City of Palo Alto. It is located in the Stanford Research Park, a lightly industrial area that consists predominantly of low level buildings and landscaped areas. The nearest residential area is located approximately 1,000 feet to the southeast of the Site.

1.04 Ground Lease. Hewlett-Packard Company ("Hewlett-Packard") is the current ground lessee of the Property pursuant to a ground lease from Covenantor (the "Ground Lease"). It is the intention of the parties that this covenant shall apply to Covenantor and its successor and assigns who acquire an interest in the property from Covenantor subsequent to the recording of this covenant. The Department and Hewlett-Packard have or will enter into a separate agreement regarding environmental restrictions that will be applicable to Hewlett Packard and its successors and assigns.

1.05 Finding. Pursuant to California Civil Code Section 1471(c), the Department has determined that this Covenant is reasonably necessary to protect present or future human health or safety or the environment as a result of the presence on the land of hazardous materials as defined in Health & Safety Code Section 25260.

ARTICLE II

GENERAL PROVISIONS

2.01 Provisions to Run with the Land. This Covenant sets forth protective provisions, covenants, restrictions, and conditions (collectively referred to as "Restrictions"), upon and subject to which the Property and every portion thereof shall be improved, held, used, occupied, leased, sold, hypothecated, encumbered, and/or conveyed. Each and all of the Restrictions shall run with the land, and pass with each and every portion of the Property, and shall apply to and bind the respective successors in interest of Covenantor. Each and all of the Restrictions are imposed upon the entire Property unless expressly stated as applicable to a specific portion of the Property. Each and all of the Restrictions are for the benefit of and enforceable by the Department and are imposed pursuant to, and run with the land pursuant to, Health and Safety Code Section 25355.5 and Civil Code Section 1471, and are subject to the variance and removal procedures spelled out in paragraphs 5.01 and 5.02 of this Covenant.

2.02 Concurrence of Owners Presumed. All future purchasers, lessees, or possessors of any portion of the Property who acquire their interest from or through Covenantor shall be deemed by their purchase, leasing, or possession of such Property, to be in accord with the foregoing and to agree for and among themselves, their heirs, successors, and assignees, and the agents, employees, and lessees of such heirs, successors, and assignees that their interest in the Property shall be subject to the Restrictions contained herein.

ARTICLE III

DEFINITIONS

3.01 Department. "Department" shall mean the California Department of Toxic Substances Control and shall include its successor agencies, if any.

3.02 Improvements. "Improvements" shall mean all buildings, roads, driveways, regrading, and paved parking areas, constructed or placed upon any portion of the Property.

3.03 Occupant(s). "Occupant(s)" shall mean those persons entitled by ownership, leasehold, or other legal relationship to the right to occupy any portion of the Property, provided however, notwithstanding the foregoing, "Occupant" shall not include any party, including Hewlett-Packard, that obtains its interests or rights in the Property solely by or through the existing Ground Lease.

3.04 Owner. "Owner" shall mean the Covenantor or its successors in interest, including heirs and assigns, who hold title to all or any portion of the ownership interest to all or any portion of the Property. A future lessee who subleases all or any portion of the Property is an "Owner" in its capacity as sublessor.

ARTICLE IV

DEVELOPMENT, USE, AND CONVEYANCE OF THE PROPERTY

4.01 Restrictions on Development and Use. Covenantor promises to restrict the use of the Property as follows:

- a. No residential use shall be permitted in the Capped Area.
- b. No raising of food (cattle, food crops, cotton) shall be permitted on the Capped Area.
- c. No drilling for drinking water, oil or gas shall be permitted on the Property without prior authorization from the Department.
- d. No uses or development of the Property shall disturb the integrity of the Cap, or of the groundwater monitoring, extraction and treatment system at the Property, without the prior approval of the Department, which approval shall not be unreasonably withheld.
- e. No activities which will disturb the soil at or below nine feet below grade (e.g. excavation, grading, removal, trenching, filling, earth movement, or mining) shall be permitted on the "Capped Area" without a Soil Management Plan and a Health and Safety Plan submitted to the Department for review and approval.

4.02 Notice of Cap Disturbance. An Owner or Occupant shall notify the Department of each of the following, upon discovery or specific knowledge by that Owner or Occupant: 1) the type, cause, location and date of any disturbance to the Cap which could reasonably affect the ability of the Cap to contain subsurface hazardous substances on the Property; and 2) the type and date of repair of such disturbance. Notification to the Department shall be made by telephone within twenty-four hours of discovery of Cap disturbance and by registered mail within five (5) working days of the discovery of Cap disturbance and of the completion of repairs. Timely and accurate notification by any Owner or Occupant shall satisfy this requirement on behalf of all other Owners and Occupants.

4.03 Access for the Department. The Department or its designated agents (including successor agencies) shall have access to the property for the purpose of inspection, surveillance,

or monitoring, or other purpose necessary to protect public health or safety and the environment as provided in Chapters 6.5 and 6.8 of the California Health and Safety Code and Chapter 4 of Division 7 of the Water Code.

4.04 Access for Operation and Maintenance. Aydin Energy Corporation ("Aydin") has agreed to operate and maintain the Cap and the groundwater monitoring, extraction and treatment system pursuant to an approved Operations and Maintenance (O&M) Plan. If the integrity of the Cap is breached, contingency activities are to be implemented by Aydin pursuant to the approved O&M Plan for remediation. Maintenance and/or repair of the Cap includes proper handling and disposal of contaminated soils if excavated. The Owner(s)/Occupants shall give Aydin or any other party required to carry out such activities access to the Property as necessary for carrying out such activities.

4.05 Conveyance of Property. An Owner or Occupant conveying an interest in the Property by sale, lease or otherwise, shall provide notice to the Department of such conveyance. The Department shall not, by reason of the Covenant, have authority to approve, disapprove, or otherwise affect any sale, lease, or other conveyance of the Property except as otherwise provided by law, by administrative order, or by reason of this Covenant.

4.06 Enforcement. Failure of an Owner or an Occupant to comply with any of the restrictions set forth in Section 4.01 shall be grounds for the Department, by reason of the Covenant, to require that such Owner or Occupant modify or remove any improvements constructed in violation of Section 4.01. Violation of the Covenant shall be grounds for the Department to file civil and criminal actions against the violating Owner(s) or Occupant(s) as provided by law. This Covenant shall not create any private right of action against Covenantor or any other Owner or Occupant of the Property or any portion thereof; nor shall this Covenant by its own terms create an obligation by Covenantor to police or enforce the performance of others hereunder.

4.07 Notice in Agreements. Any transferring Owner or Occupant shall execute a written instrument which shall accompany the purchase, lease, sublease, rental agreements, or similar conveyance document(s) relating to the Property. The instrument shall contain the following statement: "The land described herein has been remedied in accordance with Chapter 6.8 of Division 20 of the Health and Safety Code. The State of California, Environmental Protection Agency, Department of Toxic Substances Control, has determined that the cleanup level accomplished by the remediation is protective of public health and the environment as long as the conditions of the State approved Remedial Action Plan for the Property, including the use restrictions imposed by the recorded Covenant and Agreement for Environmental Restrictions for the Property, a copy of which is attached hereto and incorporated herein by reference, are complied with. Because hazardous substances remain beneath the capped area of the Property such conditions render the Property and the Owner(s), lessee(s), or other Occupant(s) of the Property subject to the applicable provisions of Chapters 6.5 and 6.8 of Division 20 of the Health and Safety Code. This statement is not a declaration that a hazard exists."

ARTICLE V

VARIANCE AND TERMINATION

5.01 Variance. Any Owner(s) or, with the Owner(s)' written consent, any Occupant of the Property or any portion thereof may apply to the Department for a written variance from the provisions of this Covenant. Such application shall be made in accordance with Health & Safety Code section 25233.

5.02 Termination. Any Owner(s) or, with the Owner's (s') written consent, any Occupant of the Property or a portion thereof may apply to the Department for a termination of the Restrictions as they apply to all or any portion of the Property. Such application shall be made in accordance with Health & Safety Code section 25234.

5.03 Term. Unless modified or terminated in accordance with Sections 2.01, 5.01 or 5.02 above, by law or otherwise, this Covenant shall continue in effect in perpetuity. When this Covenant is terminated all terms and requirements herein, including Article IV, shall terminate.

ARTICLE VI

MISCELLANEOUS

6.01 No Dedication Intended. Nothing set forth herein shall be construed to be a gift or dedication, or offer of a gift or dedication, of the Property or any portion thereof to the general public or for any purposes whatsoever.

6.02 Notices. Whenever any person gives or serves any notice, demand, or other communication with respect to this Covenant, each such notice, demand, or other communication shall be in writing and shall be deemed effective 1) when delivered, if personally delivered to the person being served or to an officer of a corporate party being served or official of a government agency being served, or 2) three (3) business days after deposit in the mail if mailed by United States mail, postage paid certified, return receipt requested:

To: "Covenantor"

The Board of Trustees of the Leland Stanford Junior University
Stanford Management Company
2770 Sand Hill Road
Menlo Park, California 94025
Attention: Environmental Manager

To "Department":

Department of Toxic Substances Control
Region 2
700 Heinz Avenue, Suite 200
Berkeley, CA 94710
Attention: Barbara J. Cook, P.E., Chief
Site Mitigation Branch

6.03 Partial Invalidity. If any portion of the Restrictions or terms set forth herein is determined to be invalid for any reason, the remaining portion shall remain in full force and effect as if such portion had not been included herein.

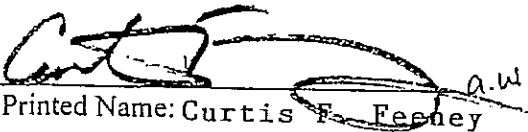
6.04 Article Headings. Headings at the beginning of each numbered article of this Covenant are solely for the convenience of the parties and are not a part of the Covenant.

6.05 Recordation. This instrument shall be executed by the Covenantor and by the Site Mitigation Branch Chief, California Department of Toxic Substances Control. This instrument shall be submitted for recording by the Covenantor to the County of Santa Clara within ten (10) days of Covenantor's receipt of a fully executed and acknowledged original of this instrument.

IN WITNESS WHEREOF, the parties execute this Covenant as of the date set forth above.

THE BOARD OF TRUSTEES OF THE
LELAND STANFORD JUNIOR
UNIVERSITY

BY: STANFORD MANAGEMENT
COMPANY

By:  a.w.
Printed Name: Curtis F. Feeney

Title: Exec. Vice Pres. of Real Estate

Date: June 24, 1997

DEPARTMENT OF TOXIC
SUBSTANCES CONTROL

By: _____

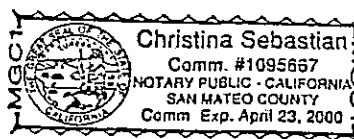
Barbara J. Cook, P.E., Chief,
Site Mitigation Branch, Reg. 2

Date: _____

STATE OF CALIFORNIA)
)
COUNTY OF SAN MATEO)

On June 24, 1997 before me, a Notary Public in and for State of California, personally appeared Curtis F. Feeny, personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument he/she, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



Christina Sebastian
Notary's Signature

STATE OF CALIFORNIA)
)
COUNTY OF ALAMEDA)

On _____, 1997 before me, a Notary Public in and for State of California, personally appeared Barbara J. Cook, personally known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument she, or the entity upon behalf of which she acted, executed the instrument.

WITNESS my hand and official seal.

Notary's Signature

BEGINNING at a Concrete Highway Monument situate on the southwesterly line of El Camino Real (State Highway) opposite Engineer's Station 144 + 27.00, as surveyed by the California Division of Highways, as said southwesterly line was established by that Decree in Condemnation, a certified copy of which Decree was filed for record in the office of the Recorder of the County of Santa Clara, State of California, on July 7, 1930, in Book 520 of Official Records at Page 571; said monument also marks the point of intersection of said southwesterly line with the southeasterly line of that certain 1289 acre tract of land described in the deed from Evelyn C. Crosby, et al, to Leland Stanford, dated September 8, 1885, recorded September 8, 1885, in Book 80 of Deeds at Page 382, Santa Clara County Records; running thence along said line of that certain 1289 acre tract, South $33^{\circ} 14' 40''$ West 2812.07 feet; THENCE leaving said line, North $57^{\circ} 38' 40''$ West 879.51 feet to the true point of beginning, THENCE from said true point of beginning, North $57^{\circ} 38' 40''$ West 162.68 feet; THENCE North $32^{\circ} 21' 20''$ East 287.77 feet; THENCE South $57^{\circ} 38' 40''$ East 162.68 feet; THENCE South $32^{\circ} 21' 20''$ West 287.77 feet to the true point of beginning.

CONTAINING 1.075 acres, more or less.

RESERVING therefrom a strip of land 20 feet in width measured at right angles, contiguous with and lying northeasterly from the southwesterly line of the herein above described parcel for the purpose of ingress and egress and for constructing and maintaining drainage facilities.

Said easement is reserved as appurtenant to and for the benefit of the remaining lands of the Lessor.

EXHIBIT A

Page 1 of 3

ALL that certain real property situate in the County of Santa Clara, State of California, described as follows:

BEGINNING at a Concrete Highway Monument situate on the southwesterly line of El Camino Real (State Highway) opposite Engineer's Station 144+27.00, as surveyed by the California Division of Highways, as said southwesterly line was established by that Decree in Condemnation, a certified copy of which Decree was filed for record in the Office of the Recorder of the County of Santa Clara, State of California on July 7, 1930, in Book 520 of Official Records at page 571; said monument also marks the point of intersection of said southwesterly line with the southeasterly line of that certain 1289 acre tract of land described in the deed from Evelyn C. Crosby, et al, to Leland Stanford, dated September 8, 1885, recorded September 8, 1885, in Book 80 of Deeds at page 382, Santa Clara County Records; running thence along said line of that certain 1289 acre tract, South 33° 14' 40" West 2812.07 feet; THENCE leaving said line, North 57° 38' 40" West 1042.19 feet to the true point of beginning; THENCE from said true point of beginning, North 57° 38' 40" West 100.00 feet; THENCE North 32° 21' 20" East 287.77 feet to a point in the southwesterly line of Hanover Street as established (60 feet wide); THENCE on and along said line South 57° 38' 40" East 100.00 feet; THENCE South 32° 21' 20" West 287.77 feet to the true point of beginning.

CONTAINING 0.661 acres, more or less.

EXCEPTING AND RESERVING therefrom a strip of land 20 feet in width measured at right angles, contiguous with and lying northeasterly from the southwesterly line of the herein above described parcel for the purpose of ingress and egress and for constructing and maintaining drainage facilities. Said easement is reserved as appurtenant to and for the benefit of the remaining lands of Lessor.

EXHIBIT A

Page 2 of 3

All that certain real property situate in the County of Santa Clara, State of California, described as follows:

BEGINNING at a Concrete Highway Monument situate on the southwesterly line of El Camino Real (State Highway) opposite Engineer's Station 144+27.00, as surveyed by the California Division of Highways, as said southwesterly line was established by that Decree in Condemnation, a certified copy of which Decree was filed for record in the office of the Recorder of the County of Santa Clara, State of California, on July 7, 1930 in Book 520 of Official Records at page 571; said monument also marks the point of intersection of said southwesterly line with the southeasterly line of that certain 1289 acre tract of land described in the deed from Evelyn C. Crosby, et al., to Leland Stanford, dated September 8, 1885, recorded September 8, 1885, in Book 80 of Deeds at page 382, Santa Clara County Records; running thence along said line of that certain 1289 acre tract, South 33° 14' 40" West 2812.07 feet; thence leaving said line, North 57° 38' 40" West 1142.19 feet to the true point of beginning; thence from said TRUE POINT OF BEGINNING, North 57° 38' 40" West 388.04 feet; thence North 32° 21' 20" East 287.77 feet to a point in the southwesterly line of Hanover Street as established (60 feet wide); thence on and along said line, South 57° 38' 40" East 388.04 feet; thence South 32° 21' 20" West 287.77 feet to the true point of beginning.

CONTAINING 2.563 acres, more or less.

EXCEPTING AND RESERVING from the above described 2.563 acre parcel a non-exclusive easement over a strip of land 20 feet in width, measured at right angles, contiguous with and lying northeasterly from the southwesterly line of the hereinabove described parcel. Said easement is excepted and reserved unto Lessor, its successors and assigns, as appurtenant to and for the benefit of other lands of Lessor for the purpose of constructing, installing, operating, maintaining, using, altering, repairing, inspecting, replacing and relocating therein and/or removing therefrom drainage facilities and all appurtenances necessary and convenient thereto.

EXHIBIT A

Page 3 of 3

EXHIBIT B-1

REAL PROPERTY IN THE CITY OF PALO ALTO, COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE MOST SOUTHERLY TERMINUS OF A CONCAVE CURVE TO THE RIGHT IN THE GENERAL WESTERN LINE OF HANOVER STREET, 60.00 FEET WIDE, HAVING A RADIUS OF 250.00 FEET; THENCE SOUTHWESTERLY ALONG SAID GENERAL WESTERN LINE OF HANOVER STREET (THE BEARING OF SAID GENERAL WESTERN LINE OF HANOVER STREET BEING TAKEN AS SOUTH 33° 13' 40" WEST FOR THE PURPOSE OF PREPARING THIS DESCRIPTION) SOUTH 33° 13' 40" WEST 33.90 FEET; THENCE LEAVING THE LAST SAID GENERAL WESTERN LINE, NORTH 57° 38' 40" WEST 638.23 FEET; THENCE NORTH 32° 21' 20" EAST 2.75 FEET TO THE ACTUAL POINT OF BEGINNING OF THE PARCEL OF LAND TO BE DESCRIBED; RUNNING THENCE NORTH 56° 24' 22" WEST 81.22 FEET; THENCE NORTH 33° 35' 38" EAST 34.95 FEET; THENCE SOUTH 56° 24' 22" EAST 39.50 FEET; THENCE SOUTH 53° 47' 53" EAST 41.46 FEET TO A LINE DRAWN NORTH 33° 35' 38" EAST FROM THE ACTUAL POINT OF BEGINNING; THENCE SOUTH 33° 35' 38" WEST 33.05 FEET TO THE ACTUAL POINT OF BEGINNING;

AND CONTAINING AN AREA OF 2799 SQUARE FEET, MORE OR LESS.

NOTE: THE PURPOSE OF THIS DESCRIPTION IS TO DEFINE THE LOCATION OF AN EXISTING ENVIRONMENTALLY ENGINEERED SUBSURFACE GAP AND DOES NOT REPRESENT A PARCEL OF LAND FOR THE PURPOSE OF LEASE, SALE OR FINANCING AS DEFINED BY THE SUBDIVISION MAP ACT OF THE STATE OF CALIFORNIA.



EXHIBIT B - 2

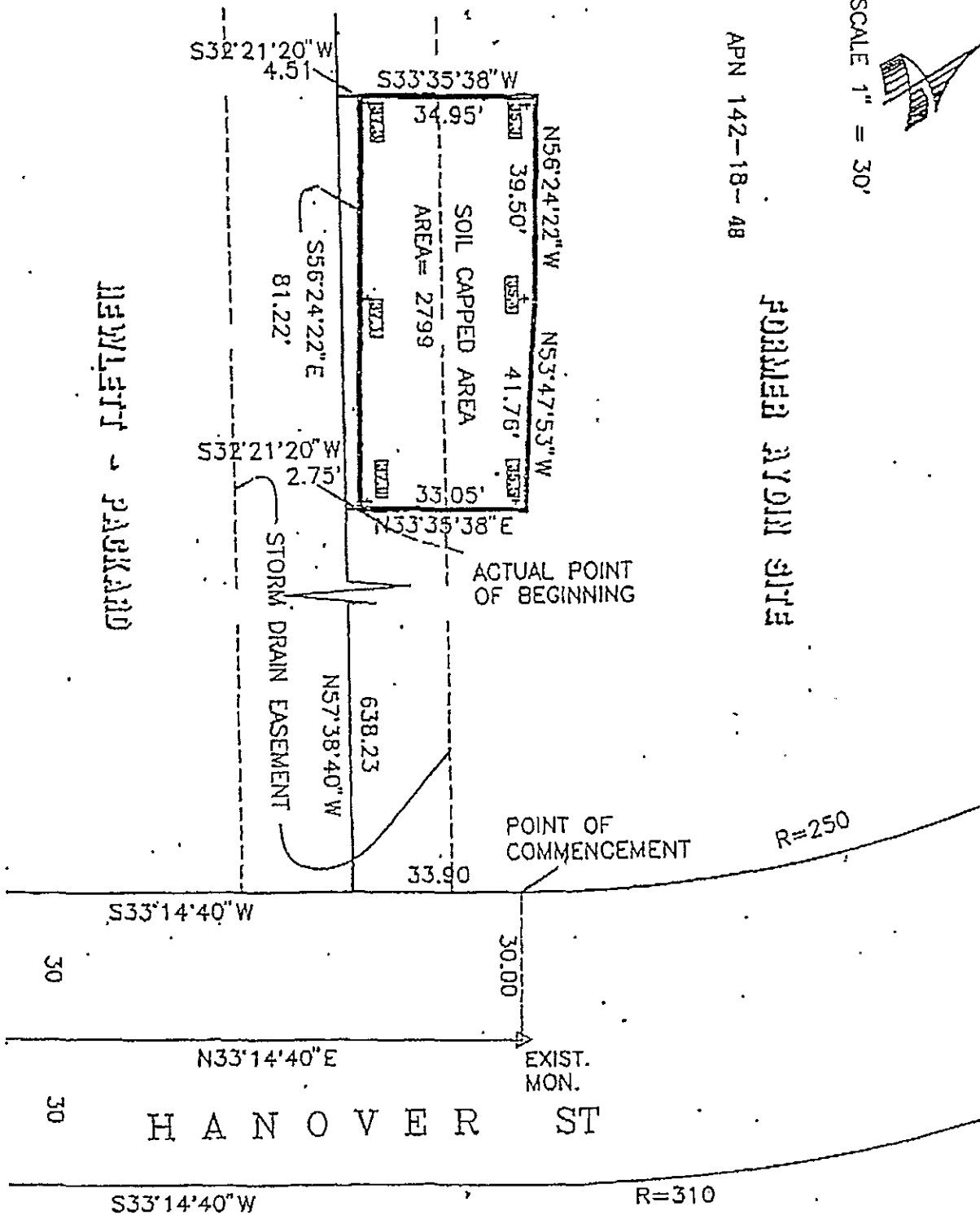
SCALE 1" = 30'



APN 142-18-48

FORMER WYOM SITE

NEWLETT PARKLAND



DATE OF SURVEY NOVEMBER 20, 1995